

ND ASSOCIATION OF COUNTIES

State Investment Board Balance Sheet As of 9/30/2008

	As of <u>9-30-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 428,166	\$ 451,813
INTERNATIONAL EQUITIES	124,054	142,595
DOMESTIC FIXED INCOME	428,986	470,681
INVESTED CASH (NOTE 1)	<u>56,219</u>	<u>58,779</u>
TOTAL INVESTMENTS	1,037,425	1,123,868
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>1,453</u>	<u>880</u>
TOTAL RECEIVABLES	1,453	880
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	23,683	28,528
TOTAL ASSETS	<u>\$ 1,062,561</u>	<u>\$ 1,153,276</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	23,683	28,528
INVESTMENT EXPENSE PAYABLE	<u>1,922</u>	<u>1,922</u>
TOTAL LIABILITIES	25,605	30,450
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,122,826	1,216,882
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(85,870)</u>	<u>(94,056)</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>1,036,956</u>	<u>1,122,826</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 1,062,561</u>	<u>\$ 1,153,276</u>

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State Investment Board Profit and Loss Statement For the Month Ended 9/30/2008

	Month Ended <u>9-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,172	\$ 9,337
SECURITIES LENDING INCOME	60	199
	<u>3,232</u>	<u>9,536</u>
 GAIN ON SALE OF INVESTMENTS	 31,621	 70,978
LOSS ON SALE OF INVESTMENTS	<u>38,249</u>	<u>80,097</u>
 NET GAINS (LOSSES) INVESTMENTS	 (6,628)	 (9,119)
 INVESTMENT EXPENSES	 246	 1,926
SECURITIES LENDING EXPENSES	38	124
 NET INVESTMENT INCOME	 (3,680)	 (1,633)
 NET APPREC (DEPREC) MARKET VALUE	 (73,275)	 (84,312)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(5)</u>	<u>75</u>
 TOTAL INVESTMENT INCOME	 <u>(76,960)</u>	 <u>(85,870)</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (76,960)</u></u>	 <u><u>\$ (85,870)</u></u>

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Notes To Financial Statements
September 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.